

# Disposable Personal Income by States in Current and Constant Prices

## New Basic Data for Regional Analysis

STATE and regional economic data are becoming increasingly important for modern-day business decisions and for economic analysis. Because of this, the Office of Business Economics has developed a new series on State disposable income in current and constant prices.<sup>1</sup> State disposable income is equal to personal income less personal taxes (mainly individual income taxes) and special "nontax" payments (such as fees and licenses). To get constant dollar disposable income, the current dollar figures are adjusted for price changes by the use of consumer price indexes constructed for each State.

The new series, an extension of the national accounts to the State level, makes possible additional insight into the growth, development, and economic progress of individual States and regions. By removing the influence of price changes (mostly inflation) and taxes on personal income, the new data measure changes in real consumer purchasing power. As measures of changes in the real value of income, they are more useful than current dollar figures for many analytical purposes. For example, the per capita data serve as an indication of State shifts in economic welfare.

Basically, the consumer price indexes for the individual States are averages (weighted by population) of consumer price indexes of the major cities in each State and of specially constructed rural consumer price indexes.<sup>2</sup> They measure the changes in prices from 1954 for each State; they do not

measure relative price levels among States at a point in time.

Personal income estimates, total and per capita, are given in tables 1 and 2; disposable income in tables 3 and 4; and real disposable personal income in tables 5 and 6.

The remainder of this report delineates some prominent State and regional income patterns. Following the summary, the regional distribution of personal income is compared with disposable income; next, a comparison of the constant and current dollar disposable income estimates is made; then per capita incomes and finally summary statistics of income and tax variation among States are presented.

### Income trends—a summary<sup>3</sup>

1. There has been a strong shift of disposable and real disposable income from the north and east to the south and west. The basic trends are clear despite the blurring effects of such non-trend factors as the cyclical fluctuations

<sup>1</sup> The deflators for the years prior to 1954 are the State consumer price indexes developed by Abner Hirsch and Carlyle P. Stallings, in "Intergovernmental Differentials in Per Capita Real Income Change," *Regional Income* (Studies in Income and Wealth, vol. 21), by the Conference on Research in Income and Wealth, National Bureau of Economic Research, (Princeton, N.J.: Princeton University Press, 1957). The deflators for the years since 1953 were developed in OBE by Edgar P. Hickman and are based on the Hirsch-Stallings methodology. Dr. Hickman is presently Associate Professor of Economics, University of South Carolina.

The indexes were developed independently for each State. Initially, the weighted average for all States combined did not agree with OBE's implicit price deflator for U.S. personal consumption expenditures. Therefore, each State's index was adjusted, by forcing the sum of the State price deflators, weighted by the State's share of real disposable income, to equal the U.S. implicit price deflator. In no year from 1947 to 1963 was the adjustment as much as 1 percent. The indexes, originally on a 1947-49 base, have been converted so that 1954 is the base year. This does not mean that consumer-item weights used in constructing the index are the consumption levels of 1954.

<sup>2</sup> Except where noted, trend references are to both the current dollar and the real disposable income aggregates.

of the 1930's, the economic upsurge during and after World War II, and the recessions of the postwar period. Since 1929, the four southern and western regions have increased their share of the Nation's disposable income by almost 50 percent, with the four northeastern and central regions sustaining the loss.

2. Regional income trends have been persistent for the three and one-half decades covered by the series. The effects of World War II and its aftermath and sharp changes in agricultural income have distorted the shape of the trends to some extent, but continuity and even substantial uniformity can be seen.

3. From 1929 to 1948, income trends in most States paralleled the trend of the parent region. Since 1948, however, developments in one or two States have tended to dominate economic change in regions with rising relative trends. There is some evidence that this tendency has been waning since 1957 and that State income trends are once again tending to conform to that of the parent region.

4. Regional trends in per capita disposable and per capita real disposable income relative to the national change are similar to those in the aggregate measures in six of the eight regions. The two exceptions are the Plains States and the Far West. In the Plains, where both population growth and income expansion have been below average, per capita incomes have risen one-sixth more than the national average from 1929 to 1963. Conversely, in the Far West, where population and

<sup>1</sup> Up to now, data on disposable personal income in current dollars have been available for selected years only.

aggregate income have surged ahead, average incomes have fallen short of the national pace by one-seventh.

5. State differences in per capita disposable and per capita real disposable income have been reduced considerably. Since 1929, the geographic inequality in levels of per capita income, as measured by State deviations from the national mean, has been cut in half. Most of this substantial reduction in inequality took place during the war years; indeed, from 1946 to 1957, no reduction oc-

curred. Since 1957, however, convergence toward the national average appears to have been resumed.

The most striking feature of the trends in total and per capita disposable and real disposable income is that they coincide with the trends in personal income before adjustment has been made for taxes and prices. This implies that when State and regional changes are related to their national counterparts, there is little difference in relative movements, whether the

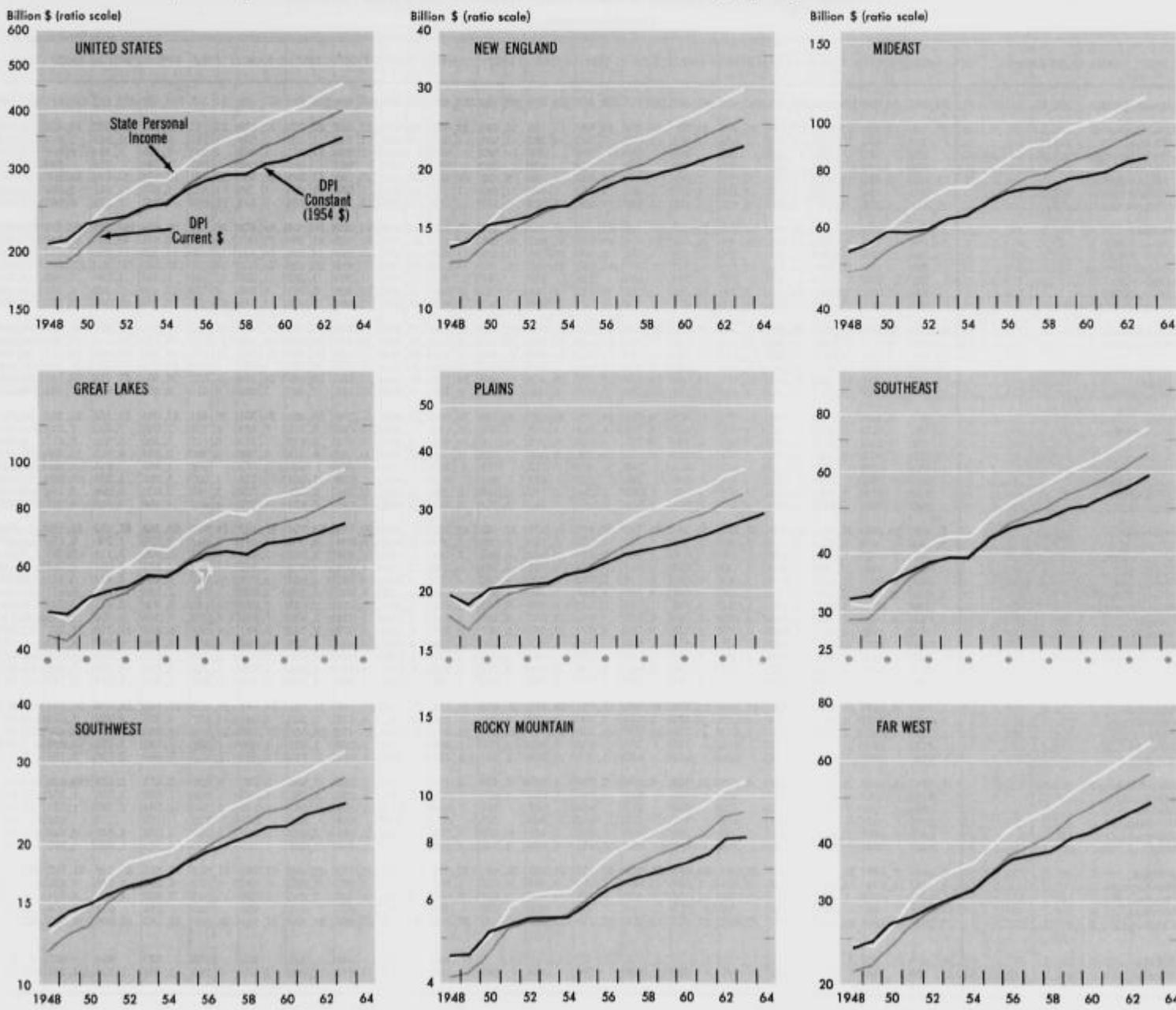
basis of measurement is personal income, disposable income, or real disposable income. Attention will be turned now to the effects of taxes, prices, and population on the geographic distribution of income.

### The Geographic Distribution of Personal and Disposable Income

A comparison of changes in the distribution of personal income and dis-

CHART 12

#### Personal Income, and Disposable Personal Income in Current and Constant Dollars, by Regions



posable income among the States reveals the relatively minor alterations that personal tax and nontax payments have made in the geographic distribution of personal income. Both current dollar income measures, as well as real disposable income, are plotted in chart 12 for the postwar years for the eight regions and the Nation.

Most of the minor differences in geographic distribution that exist between personal income and disposable income appear to be due to the progressive nature of the tax system. Generally, States with above-average income

levels have smaller shares of income after taxes than before taxes. Conversely, low-income States receive larger shares of disposable income than of personal income. In 1963, this generalization held true for 29 of the 32 States whose share of personal income differed from that of disposable income by as much as 1 percent. One high-income and two low-income States moved counter to expectations.

Over time, the effect of taxes on the State income distribution has increased. In 1929, it was almost negligible. Just under half the States received the same

income share after taxes as before taxes, and in all except three (Delaware, New York, and Montana), before- and after-tax shares differed by less than 2 percent. Only Delaware, with its high overall average income, its concentration of high-income families, and its large proportion of property income, felt a marked impact from taxes. Delaware's share of disposable income was 4 percent less than its share of personal income.

By 1948, when Federal income tax rates had increased sharply and incomes had generally moved into higher

**Table 1.—Personal Income, by States and Regions, 1929, 1940, 1946-63**

(Millions of dollars)

State and region	1929	1940	1945	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
United States.....	65,861	78,522	175,701	189,877	207,414	205,462	226,473	252,946	269,964	265,148	285,333	306,555	330,380	348,724	357,496	381,326	314,828	415,822	438,877	443,630
New England.....	7,126	6,398	12,285	13,934	13,949	13,829	16,169	16,884	17,732	16,902	18,887	20,200	21,842	23,793	23,328	24,701	35,944	27,042	29,550	29,789
Maine.....	476	144	623	982	1,079	1,061	1,087	1,127	1,267	1,204	1,312	1,422	1,532	1,690	1,717	1,780	1,842	1,918	1,971	1,971
New Hampshire.....	222	268	507	613	680	663	778	779	817	802	848	861	1,006	1,071	1,047	1,201	1,280	1,314	1,304	1,460
Vermont.....	225	184	262	389	420	414	462	625	642	643	567	604	628	649	657	724	754	794	827	827
Massachusetts.....	3,382	3,345	3,342	5,081	7,073	7,044	7,709	8,485	8,866	9,933	9,483	10,300	10,739	11,146	11,606	12,261	12,942	13,579	14,260	14,329
Rhode Island.....	566	534	1,046	1,120	1,101	1,173	1,267	1,410	1,473	1,545	1,515	1,617	1,677	1,664	1,738	1,823	1,978	2,082	2,152	2,152
Connecticut.....	1,641	1,804	4,816	2,333	1,537	2,422	3,850	4,426	4,763	6,317	6,190	5,946	6,464	6,430	6,878	7,247	7,572	8,046	8,496	8,496
Midwest.....	27,466	32,949	47,065	50,083	54,211	54,985	56,148	58,782	72,613	73,221	78,014	84,068	86,688	98,926	98,816	105,725	102,889	115,617	115,617	
New York.....	14,105	11,713	22,712	23,907	26,000	26,144	26,054	30,163	31,681	33,265	34,129	38,506	30,023	41,410	42,061	46,197	45,937	48,343	48,343	
New Jersey.....	3,714	3,433	6,888	7,208	7,870	7,920	8,000	9,958	10,708	11,411	11,822	12,351	13,379	14,203	14,404	15,450	17,040	18,781	19,381	
Pennsylvania.....	7,581	8,417	11,578	13,156	14,784	14,771	16,038	18,922	20,146	19,572	20,766	21,345	23,682	24,797	25,458	26,984	27,015	28,017	28,017	
Delaware.....	246	270	480	500	550	568	680	734	812	876	906	1,049	1,204	1,415	1,222	1,209	1,348	1,384	1,570	
Maryland.....	1,268	1,209	2,924	3,046	3,200	3,284	3,155	4,323	4,716	5,028	5,934	5,453	6,298	6,541	7,353	7,442	8,555	9,186	9,186	
District of Columbia.....	612	807	1,508	1,626	1,600	1,774	1,884	1,943	1,882	1,947	2,044	2,070	2,110	2,210	2,300	2,346	2,537	2,646	2,646	
Great Lakes.....	20,333	17,818	38,333	42,488	47,905	45,923	50,744	57,857	60,748	65,761	64,844	70,295	70,341	71,468	77,359	83,188	86,232	88,969	92,706	97,473
Michigan.....	3,890	3,810	7,743	9,392	9,370	9,522	10,803	12,103	12,002	14,436	14,157	15,783	15,567	16,281	16,549	17,457	18,173	19,264	20,624	
Ohio.....	5,178	4,046	10,980	10,880	12,227	11,758	12,891	14,362	16,108	17,810	17,808	18,689	19,060	20,266	20,404	21,937	22,722	23,056	24,210	25,168
Indiana.....	1,973	1,898	4,419	4,928	5,581	5,398	6,005	6,951	7,285	8,012	8,261	8,369	9,232	9,123	9,741	10,211	10,460	11,841	11,841	
Illinois.....	3,380	5,904	12,487	13,447	15,472	14,654	15,954	17,777	19,678	19,980	20,982	21,572	23,911	24,100	25,893	26,554	27,418	28,860	30,029	
Wisconsin.....	2,002	1,740	4,830	4,204	4,646	4,614	5,060	6,834	6,004	6,288	6,152	7,137	7,487	7,982	8,310	8,582	8,871	9,261	9,261	
Maine.....	7,184	6,515	16,341	14,729	16,249	17,896	19,854	21,733	22,859	23,188	24,964	24,683	26,205	26,899	25,561	34,381	32,646	33,352	35,824	
Minnesota.....	1,539	1,407	3,213	3,511	4,088	3,810	4,184	4,824	4,706	5,049	5,164	6,460	5,763	6,173	6,484	6,705	7,004	7,432	7,712	8,152
Iowa.....	1,410	1,272	2,978	2,960	3,044	3,403	3,200	4,073	4,272	4,110	4,489	4,200	4,573	5,110	5,245	5,412	5,810	6,075	6,399	
Missouri.....	2,276	1,982	4,456	4,026	5,301	5,210	5,765	6,300	8,690	7,000	7,655	7,379	8,082	8,210	8,686	9,268	9,865	10,366	10,900	
North Dakota.....	285	224	592	592	602	678	703	704	765	771	783	829	909	1,040	984	1,107	995	1,100	1,200	
South Dakota.....	285	230	837	738	888	880	703	823	814	891	810	901	928	1,061	1,124	1,237	1,246	1,360	1,260	
Nebraska.....	611	678	1,496	1,574	1,851	1,840	1,949	2,045	2,170	2,100	2,269	2,203	2,780	2,730	2,786	3,025	3,096	3,310	3,376	
Kansas.....	949	762	2,012	2,285	2,415	3,397	2,603	3,261	3,434	3,438	4,247	4,202	4,490	4,811	4,811	5,047	5,274	5,500	5,500	
Southeast.....	9,980	14,387	26,963	26,416	31,233	38,343	34,193	38,940	41,528	41,153	43,148	47,154	50,371	53,790	56,162	62,966	62,258	65,452	69,922	74,360
Virginia.....	1,064	1,363	3,336	3,229	3,665	3,236	4,024	4,737	5,180	5,228	5,203	5,018	5,064	5,358	6,641	7,012	7,379	7,700	8,350	9,907
West Virginia.....	744	777	1,969	2,170	2,050	2,405	2,308	2,429	2,540	2,547	2,414	2,588	2,578	2,874	2,940	3,089	3,125	3,234	3,548	
Kentucky.....	1,020	914	2,284	2,883	2,719	2,824	2,893	3,518	3,594	3,646	3,837	3,792	4,022	4,233	4,347	4,603	4,672	5,067	5,365	
Tennessee.....	925	905	2,634	2,770	3,806	2,992	1,228	3,633	3,798	4,000	4,080	4,247	4,852	4,904	5,016	5,340	5,465	6,844	6,844	
North Carolina.....	1,046	1,171	1,988	1,678	3,670	3,565	4,103	4,813	4,708	4,860	5,023	5,002	5,002	5,002	5,002	5,002	5,002	5,120	5,120	
South Carolina.....	470	384	1,481	1,554	1,755	1,700	1,908	2,284	2,468	2,545	2,414	2,604	2,711	2,815	2,931	3,142	3,300	3,472	3,601	
Georgia.....	1,015	1,060	2,744	2,290	3,838	3,068	3,510	4,045	4,237	4,460	4,414	4,918	5,274	5,422	5,576	6,070	6,368	6,590	7,716	
Florida.....	723	862	2,813	2,908	3,453	3,210	2,932	4,077	4,543	5,041	5,312	5,068	5,394	5,763	6,481	6,384	6,943	10,310	11,221	11,933
Alabama.....	836	801	2,102	2,537	2,512	2,499	2,058	3,080	3,223	3,341	3,288	3,768	3,932	3,266	4,322	4,617	4,789	4,947	5,264	
Mississippi.....	670	474	1,254	1,385	1,661	1,391	1,269	1,740	1,902	1,860	1,936	1,968	2,007	2,116	2,291	2,400	2,582	2,751	3,006	
Louisiana.....	869	801	2,150	2,772	2,601	2,789	3,037	3,248	3,645	3,727	3,756	3,989	4,434	4,705	5,395	5,592	6,072	6,305	6,305	
Arkansas.....	504	501	1,216	1,320	1,644	1,438	1,735	1,707	1,909	1,732	1,933	2,004	2,144	2,306	2,384	2,616	2,782	2,966	3,206	
Southwest.....	4,264	4,090	10,675	11,822	12,918	13,815	14,656	16,794	18,122	18,570	18,126	20,519	22,105	22,487	24,859	28,228	27,196	28,788	34,281	31,602
Oklahoma.....	1,077	807	2,800	2,184	2,330	2,432	2,814	2,908	3,084	3,101	3,162	3,241	4,572	4,780	5,142	4,083	4,306	4,575	4,575	
Texas.....	2,752	2,770	4,400	5,332	9,064	9,778	10,378	11,126	12,712	13,013	13,391	14,880	14,422	15,404	17,105	18,122	19,498	19,696	20,387	
New Mexico.....	171	199	1,204	1,565	1,640	1,717	1,798	1,930	1,948	1,056	1,150	1,257	1,508	1,730	1,795	1,883	1,953	1,953	1,953	
Arizona.....	254	248	600	749	857	889	970	1,227	1,305	1,443	1,495	1,034	1,854	2,010	2,204	2,435	2,630	2,920	3,181	
Rocky Mountain.....	1,514	1,598	3,710	4,204	4,645	4,882	5,810	5,770	6,001	5,188	6,174	6,470	7,325	8,205	8,277	9,032	9,518	10,334	10,567	
Montana.....	112	118	957	772	805	791	937	1,080	1,056	1,033	1,158	1,230	1,380	1,378	1,383	1,345	1,568	1,365	1,365	
Idaho.....	225	242	584	663	700	700	787	849	916	883	860	937	1,024	1,121	1,184	1,242	1,360	1,360	1,360	
Wyoming.....	151	152	389	381	418	440	474	502	543	547	537	580	658	730	768	773	810	859	859	
Colorado.....	472	617	1,120	1,054	1,260	1,704	1,030	2,284	2,408	2,402	2,543	2,783	3,064	3,397	3,650	3,700	4,039	4,416	4,331	
Utah.....	284	268	606	749	796	821	1,035	1,098	1,143	1,242	1,354	1,401	1,610	1,721	1,836	1,900	2,000	2,000	2,000	
Far West.....	7,314	7,767	21,415	22,297	23,753	23,887	24,378	30,287	33,126	34,921	36,815	38,198	43,772	45,428	51,926	54,857	57,748	61,907	65,706	
Washington.....	1,100	1,122	2,003	2,333	3,000	3,641	3,956	4,144	4,684	4,840	5,211	5,822	6,372	6,675	6,940	7,125	7,276	7,456	7,456	
Oregon.....	947	977	1,574	2,073	2,261	2,236	2,451	2,748	2,914	2,934	3,109	3,198	3,400	3,564	3,845	3,982	4,083	4,231	4,568	
Nevada.....	70	69	240	268	278	278	314	380	428	462	508	562	626	688	759	815	911	1,101	1,356	
California.....	4,502	8,830	10,284	16,837	17,610	17,835	18,027	22,726	25,080	26,042	27,423	30,224	33,273	35,483	40,000	43,18				

**L.** Total includes Alaska and Hawaii 1960-63 but not in earlier years.

Source: U.S. Department of Commerce, Office of Business Economics.

## SURVEY OF CURRENT BUSINESS

brackets, the impact of personal taxes on the geographic distribution of income, though still relatively minor, was greater than in 1929. In 41 States, the shares of personal income and disposable income differed by less than 3 percent. In six of the remaining States, incomes were below average and State shares of disposable income ranged from 3 percent to 7 percent above those of personal income. Again, Delaware was an exception, with its share of disposable income one-eighth less than its share of personal income.

From 1948 to 1963, there was little

Distribution of States by Effective Personal Tax Rates  
1929, 1948, and 1963<sup>1</sup>

Effective tax rate in percent	Number of States in		
	1929	1948	1963
0 to 1.0			
1.1 to 2.0	12		
2.1 to 3.0	28		
3.1 to 4.0	7		
4.1 to 5.0	0		
5.1 to 6.0	1	2	
6.1 to 7.0	0	3	
7.1 to 8.0	2	8	
8.1 to 9.0		10	
9.1 to 10.0		3	2
10.1 to 11.0		10	3
11.1 to 12.0		3	10
12.1 to 13.0		2	14
13.1 to 14.0		1	14
14.1 to 15.0			2
15.1 to 16.0			2
16.1 to 17.0			1
17.1 to 18.0		1	1
Total	48	49	49

1. Effective tax rate equals total personal tax and non-tax payments as a percent of personal income.

measurable change in the effect of personal taxes on the State distribution of income. In each State, total and disposable incomes were related in about the same proportions in 1963 as in 1948. This does not imply that taxes are distributed among States in the same proportion as personal income. Indeed, it is evident from the accompanying text table that they are not.

In 1929, there was comparatively little difference among States in effective tax rates. Except for Delaware and New York, personal taxes ranged from 1.6 percent to 3.6 percent of

Table 2.—Per Capita Personal Income, by States and Regions, 1929, 1940, 1946–63

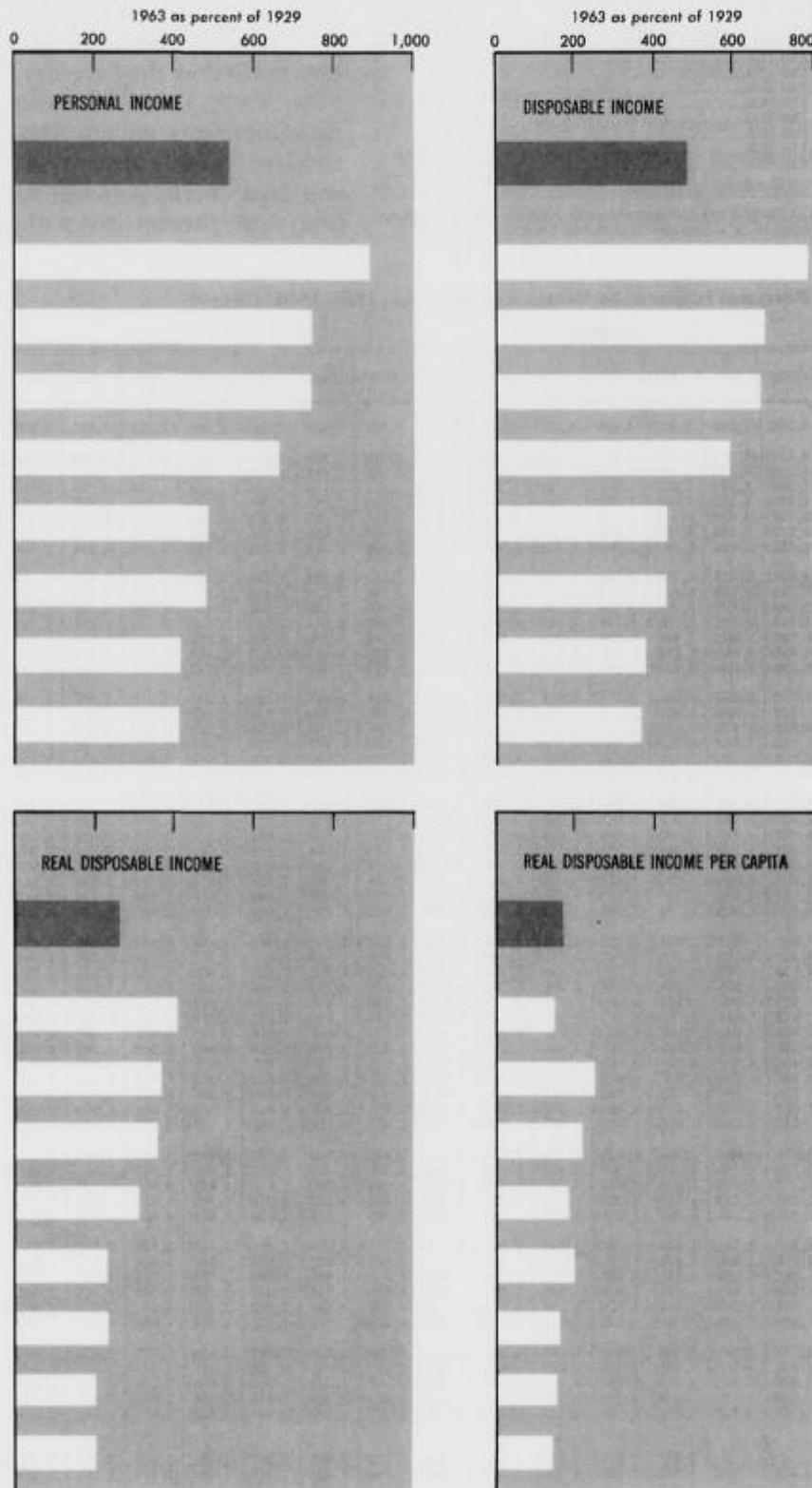
(Dollars)

State and region	1929	1940	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
United States	763	885	1,245	1,418	1,426	1,382	1,491	1,645	1,727	1,788	1,770	1,866	1,970	2,045	2,084	2,163	2,187	2,268	2,287	2,448
New England	876	757	1,379	1,428	1,511	1,476	1,629	1,823	1,905	1,968	1,928	2,076	2,114	2,238	2,302	2,394	2,456	2,650	2,723	2,723
Maine	821	528	1,137	1,180	1,229	1,175	1,186	1,300	1,427	1,481	1,481	1,575	1,644	1,696	1,748	1,793	1,856	1,957	1,989	1,999
New Hampshire	840	579	1,145	1,208	1,241	1,241	1,390	1,470	1,527	1,678	1,614	1,712	1,774	1,859	1,945	2,079	2,180	2,213	2,263	2,263
Vermont	627	507	1,058	1,094	1,170	1,122	1,184	1,328	1,395	1,494	1,484	1,528	1,512	1,606	1,708	1,806	1,882	1,943	2,050	2,048
Massachusetts	913	784	1,398	1,424	1,513	1,400	1,603	1,745	1,816	1,947	1,936	2,065	2,228	2,328	2,424	2,520	2,606	2,727	2,831	2,831
Rhode Island	871	743	1,349	1,420	1,512	1,404	1,632	1,615	1,846	1,895	1,900	1,988	1,964	2,021	2,145	2,180	2,247	2,358	2,416	2,416
Connecticut	1,029	917	1,578	1,693	1,701	1,609	2,300	2,322	2,400	2,461	2,450	2,726	2,813	2,720	2,785	2,854	2,934	3,068	3,127	3,127
Mideast	973	794	1,607	1,623	1,646	1,638	1,785	1,914	1,994	2,076	2,051	2,143	2,202	2,266	2,407	2,624	2,681	2,835	2,742	2,819
New York	1,169	970	1,691	1,715	1,788	1,768	1,892	2,062	2,079	2,147	2,141	2,270	2,342	2,542	2,584	2,720	2,835	2,904	3,016	3,016
New Jersey	931	628	1,259	1,570	1,656	1,622	1,700	2,000	2,114	2,210	2,214	2,204	2,428	2,631	2,652	2,721	2,832	2,978	2,978	2,978
Pennsylvania	725	648	1,273	1,345	1,416	1,422	1,508	1,734	1,705	1,902	1,818	1,915	2,055	2,149	2,188	2,284	2,276	2,377	2,452	2,452
Delaware	1,047	1,004	1,523	1,594	1,703	1,885	2,140	2,286	2,305	2,510	2,475	2,718	2,898	2,885	2,955	2,993	3,009	3,146	3,271	3,271
Maryland	777	712	1,313	1,369	1,407	1,423	1,580	1,783	1,884	1,967	1,924	1,932	2,103	2,230	2,338	2,487	2,597	2,734	2,834	2,834
District of Columbia	1,273	1,170	1,056	1,745	1,905	1,978	2,179	2,344	2,413	2,276	2,244	2,434	2,644	2,786	2,888	2,933	3,017	3,211	3,315	3,315
Great Lakes	803	881	1,349	1,457	1,592	1,584	1,689	1,822	1,922	1,945	1,953	2,004	2,207	2,280	2,368	2,519	2,577	2,646	2,613	2,605
Michigan	705	879	1,318	1,454	1,512	1,504	1,621	1,805	1,946	1,934	2,007	2,179	2,200	2,245	2,363	2,433	2,500	2,568	2,608	2,608
Ohio	781	886	1,311	1,412	1,583	1,472	1,612	1,867	1,954	2,016	2,016	2,041	2,183	2,253	2,286	2,344	2,432	2,516	2,516	2,516
Indiana	812	553	1,183	1,203	1,410	1,364	1,420	1,605	1,786	1,913	1,787	1,920	1,906	1,984	2,115	2,186	2,214	2,337	2,437	2,437
Illinois	927	754	1,300	1,358	1,508	1,400	1,820	1,835	2,005	2,197	2,174	2,272	2,410	2,505	2,511	2,676	2,694	2,715	2,862	2,862
Wisconsin	582	684	1,208	1,204	1,402	1,361	1,407	1,760	1,764	1,904	1,760	1,908	1,969	1,939	2,133	2,162	2,195	2,308	2,308	2,308
Midwest	572	483	1,184	1,244	1,414	1,282	1,411	1,536	1,647	1,614	1,656	1,743	1,856	1,964	1,985	2,135	2,185	2,268	2,323	2,323
Minnesota	568	528	1,174	1,255	1,404	1,306	1,404	1,589	1,650	1,648	1,648	1,710	1,790	1,963	1,946	2,073	2,149	2,205	2,205	2,205
Iowa	577	504	1,207	1,190	1,417	1,200	1,499	1,584	1,635	1,680	1,687	1,767	1,852	1,854	1,921	1,972	2,024	2,106	2,203	2,203
Missouri	526	524	1,186	1,221	1,384	1,344	1,446	1,562	1,601	1,715	1,703	1,705	1,904	1,961	2,044	2,161	2,203	2,269	2,405	2,405
North Dakota	375	350	1,046	1,141	1,383	1,320	1,265	1,323	1,322	1,240	1,247	1,269	1,389	1,488	1,573	1,746	1,852	1,921	2,016	2,016
South Dakota	417	356	1,163	1,242	1,447	1,394	1,216	1,316	1,244	1,345	1,375	1,279	1,380	1,400	1,575	1,613	1,642	1,777	1,851	1,851
Nebraska	560	438	1,151	1,243	1,483	1,365	1,476	1,546	1,650	1,676	1,676	1,730	1,820	1,897	1,977	2,134	2,147	2,270	2,300	2,300
Kansas	535	426	1,116	1,248	1,376	1,245	1,585	1,616	1,715	1,788	1,788	1,884	1,960	2,000	2,060	2,139	2,222	2,363	2,363	2,363
Southeast	368	343	549	583	946	401	1,011	1,157	1,194	1,237	1,232	1,402	1,446	1,485	1,585	1,650	1,851	1,934	1,934	1,934
Virginia	436	408	600	1,022	1,112	1,101	1,224	1,475	1,484	1,500	1,571	1,647	1,671	1,705	1,745	1,804	2,005	2,080	2,080	2,080
West Virginia	162	407	521	1,020	1,146	1,063	1,098	1,221	1,290	1,307	1,333	1,350	1,381	1,382	1,386	1,571	1,701	1,762	1,847	1,847
Kentucky	381	230	511	584	938	931	938	1,121	1,203	1,260	1,240	1,267	1,385	1,498	1,463	1,514	1,639	1,705	1,774	
Tennessee	377	329	565	570	948	945	1,040	1,112	1,180	1,182	1,192	1,290	1,285	1,301	1,301	1,307	1,380	1,474	1,533	
North Carolina	324	226	558	614	948	910	1,012	1,110	1,162	1,172	1,172	1,269	1,285	1,348	1,348	1,416	1,493	1,528	1,577	
South Carolina	270	307	703	773	970	838	882	1,040	1,117	1,141	1,141	1,181	1,242	1,327	1,381	1,432	1,529	1,575	1,575	
Georgia	350	340	644	694	948	933	1,017	1,141	1,201	1,239	1,239	1,323	1,402	1,418	1,488	1,558	1,600	1,740	1,829	
Florida	521	513	1,157	1,143	1,184	1,203	1,287	1,375	1,457	1,535	1,535	1,656	1,731	1,839	1,885	1,968	2,081	2,157	2,157	
Alabama	224	299	744	794	890	816	869	980	1,044	1,084	1,084	1,109	1,158	1,226	1,245	1,282	1,487	1,546	1,546	
Mississippi	265	216	808	902	703	887	733	793	865	880	885	904	989	992	976	1,163	1,267	1,327	1,392	
Louisiana	116	203	829	881	1,002	1,059	1,087	1,173	1,248	1,295	1,301	1,357	1,481	1,585	1,600	1,605	1,686	1,788	1,788	
Arkansas	205	265	726	719	840	780	807	906	966	985	985	1,087	1,186	1,297	1,327	1,439	1,584	1,670	1,747	
Southwest	474	418	1,066	1,113	1,246	1,288	1,419	1,478	1,538	1,553	1,553	1,702	1,712	1,818	1,858	1,999	1,971	2,012	2,076	
Oklahoma	454	372	929	1,126	1,165	1,233	1,402	1,476	1,485	1,528	1,528	1,641	1,641	1,728	1,774	1,841	1,889	1,920	1,920	1,920
Texas	478	422	1,028	1,127	1,283	1,332	1,433													

### Regional Income Growth

*Changes in taxes and consumer prices have had little differential effect on regional income growth but population change has been important*

CHART 13



personal income. By 1948, the range went from 5.1 percent to 13.9 percent. In 1963, the range was somewhat reduced, mainly because of increases in effective tax rates in States at the lower end of the scale. As indicated in the text tabulation, effective tax rates in 1963 ranged from 9 percent in Mississippi and about 9½ percent in the two Dakotas, to nearly 16 percent in New York and 18 percent in Delaware.

The fact that the distributions of personal income and disposable income are quite similar, while those of personal income and personal taxes differ significantly, is a reflection of the comparatively small weight of taxes compared with total income. With personal taxes currently absorbing about 13½ percent of personal income, only one-eighth of the relative difference between the tax and income distribution is transmitted to the disposable income measure by the deduction of taxes from income.

### Comparison of Constant and Current Dollar Disposable Income

The differences between the two disposable income series for each region are very similar, as may be seen in chart 12. This implies that there was little difference in regional price movements. Since the price indexes do not reflect relative price levels among regions at a point in time, discussion of real disposable income is concentrated on growth rates instead of on geographic distributions in a given year.

The effects of price changes on the apparent income growth in individual States or regions can be seen by comparing average annual rates of growth of disposable income in both constant and current prices—as shown in table 8. The rates are given for three selected time periods—the Great Depression and its aftermath (1929–40), World War II and the early postwar period (1940–48), and the later postwar period (1948–63)—as well as for the overall period, 1929–63.

The rates for constant dollar income show patterns of growth that differ from those shown by the rates for current dollar income. The most striking

differences are evident in the earliest of the three periods. During the 1929-40 period, current income fell in 31 States, but because prices fell even faster, real income rose in all but 4 States over the decade.

Total incomes rose in all States during the war period. However, because of the extremely rapid rise in prices, real income growth was much slower than current income growth. Indeed, because of this wartime price inflation combined with population

shifts, real per capita income decreased in two States and the District of Columbia.

In the years after 1948, price inflation was less severe. Total real income increased in all States, and differences in growth rates between real income and current income were not so large as in the war period. With income expressed in current dollars, no State showed a higher rate of growth from 1948 to 1963 than in the 1940-48 period. Surprisingly, with price changes eliminated,

14 States, located mainly in the Midwest and New England regions, showed a higher rate of increase in the later period.

### Summary Effect of Prices and Taxes

A comparison of changes from 1929 to 1963 in the percent distribution of personal income and real disposable income by States reveals the combined effect of changes in prices and taxes.

Table 3.—Total Disposable Personal Income, by States and Regions, 1929, 1940, 1946-63

[Millions of dollars]

State and region	1929	1940	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
United States	\$1,629	25,226	157,263	157,731	284,428	186,514	284,728	222,922	235,560	247,762	232,762	271,240	280,782	256,519	325,478	334,238	348,113	345,677	360,430	398,251
New England	6,961	6,189	10,873	11,478	12,457	12,570	12,763	14,813	15,427	16,384	16,676	17,782	18,885	19,871	20,637	21,413	22,428	23,479	24,725	25,743
Maine	467	432	850	889	906	988	1,012	1,087	1,178	1,165	1,107	1,033	1,084	1,033	1,157	1,104	1,094	1,163	1,128	1,264
New Hampshire	216	275	515	565	606	614	645	700	725	760	802	851	948	976	1,005	1,044	1,063	1,063	1,063	1,063
Vermont	220	178	333	354	387	384	410	459	474	467	484	512	568	567	675	616	648	663	663	727
Massachusetts	3,724	8,261	6,562	6,789	6,260	6,886	6,906	7,451	7,066	8,006	8,260	8,811	9,028	10,228	10,268	10,762	11,185	11,881	12,328	12,825
Rhode Island	577	815	941	994	1,048	1,073	1,170	1,241	1,281	1,320	1,431	1,491	1,620	1,623	1,623	1,623	1,623	1,623	1,623	1,623
Connecticut	1,108	1,086	2,044	2,327	3,187	3,168	3,331	3,876	4,163	4,054	4,051	4,704	5,055	5,034	5,246	5,523	6,946	7,286	7,286	7,286
Mideast	26,361	22,952	41,246	43,886	43,931	45,970	53,323	56,642	58,850	62,659	63,963	67,931	72,938	76,819	76,201	83,121	86,854	88,747	91,134	94,836
New York	13,261	11,142	19,648	20,008	22,838	23,303	24,835	26,806	28,731	28,371	28,583	31,496	33,269	33,428	36,219	38,688	39,803	41,146	40,243	44,920
New Jersey	2,426	3,225	8,129	7,671	7,216	7,850	8,827	9,375	9,968	10,303	10,528	11,769	12,491	12,840	13,604	14,108	14,844	15,685	16,310	16,310
Pennsylvania	7,362	8,199	11,213	12,187	13,327	13,491	14,501	15,801	16,411	17,484	17,244	19,577	20,543	20,765	21,623	22,236	22,703	23,192	24,208	24,208
Delaware	222	232	363	414	454	501	595	696	706	723	724	1,003	1,008	1,020	1,025	1,121	1,160	1,167	1,228	1,228
Maryland	1,231	1,388	2,634	2,637	2,905	3,004	3,356	3,720	4,010	4,303	4,429	4,762	5,216	5,568	6,203	6,391	6,459	6,903	7,400	7,880
District of Columbia	362	729	1,322	1,331	1,458	1,511	1,620	1,638	1,679	1,710	1,729	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859	1,859
Great Lakes	18,438	17,318	34,248	37,612	42,654	41,724	46,020	56,795	57,777	57,154	57,389	61,871	63,828	66,447	68,763	73,150	76,080	76,958	80,634	84,173
Michigan	3,678	5,602	8,928	7,973	8,854	8,807	9,216	10,905	11,074	12,509	12,389	12,873	14,482	14,781	14,948	16,392	16,873	16,761	17,934	17,934
Ohio	5,057	4,476	8,222	8,964	10,987	10,268	11,711	13,144	13,820	15,028	15,276	16,348	17,416	18,301	18,867	19,363	19,759	20,203	21,344	21,344
Indiana	1,934	3,908	4,414	4,456	5,087	4,925	5,616	5,290	6,471	7,182	7,975	7,888	9,185	9,185	9,185	9,185	9,185	9,185	9,185	9,185
Illinois	7,060	8,804	11,020	11,810	13,728	13,223	14,439	16,621	17,039	17,948	18,106	20,585	21,145	23,227	23,072	23,047	23,505	24,461	25,461	25,461
Wisconsin	1,942	1,875	3,448	3,751	4,190	4,189	4,580	5,175	5,321	5,411	5,790	6,220	6,428	6,790	7,256	7,379	7,714	8,041	8,281	8,281
Plains	7,442	8,336	13,950	14,963	17,558	16,482	18,192	19,573	20,320	20,459	21,688	22,308	23,366	24,637	27,959	26,235	29,248	31,053	32,656	32,656
Minnesota	1,494	1,422	2,898	3,110	3,482	3,485	3,727	4,109	4,208	4,189	4,570	4,810	4,983	5,420	5,723	5,890	6,108	6,475	6,628	7,040
Iowa	1,880	2,288	2,737	2,865	3,638	3,124	3,494	3,038	3,588	3,831	4,046	4,294	4,673	4,522	5,145	5,379	5,656	5,656	5,656	5,656
Missouri	2,221	1,928	4,046	4,211	4,806	4,798	5,233	5,700	6,204	6,807	6,146	6,338	6,732	7,167	7,375	8,214	8,377	8,485	9,004	9,041
North Dakota	247	218	545	701	727	617	716	722	727	704	705	802	829	944	944	892	1,280	1,174	1,174	1,174
South Dakota	284	224	565	677	820	642	742	774	807	847	785	844	901	901	901	901	901	901	901	901
Nebraska	707	884	1,307	1,491	1,864	1,863	1,963	1,820	1,938	1,888	2,035	1,089	2,286	2,347	2,347	2,347	2,347	2,347	2,347	2,347
Kansas	947	744	1,823	2,133	2,178	2,191	2,115	2,648	3,048	3,262	3,100	3,268	3,420	3,704	3,704	3,704	3,704	3,704	3,704	3,704
Southwest	8,785	16,804	24,828	26,810	28,855	28,778	31,722	35,685	38,901	39,194	42,902	45,581	48,409	53,363	55,257	58,394	65,767	68,733	72,726	77,726
Virginia	1,032	1,932	3,080	2,973	2,290	3,215	3,880	4,274	4,283	4,030	4,713	4,025	5,288	5,960	6,198	6,437	6,703	7,126	7,126	7,126
West Virginia	752	758	1,559	1,787	2,057	2,057	2,348	2,316	2,812	2,348	2,348	2,348	2,348	2,348	2,348	2,348	2,348	2,348	2,348	2,348
Kentucky	1,030	893	2,080	2,144	2,287	2,528	2,612	2,704	3,177	3,200	3,288	3,480	3,587	3,703	3,871	4,058	4,180	4,082	4,875	4,875
Tennessee	900	707	3,429	3,549	3,794	3,794	3,064	3,318	3,420	3,694	3,800	4,204	4,391	4,391	4,391	4,391	4,391	5,227	5,227	5,227
North Carolina	1,021	1,134	2,871	3,124	3,387	3,382	3,832	3,231	3,304	3,435	3,577	3,779	4,100	4,100	4,100	4,100	4,100	5,227	5,227	5,227
South Carolina	962	572	1,387	1,481	1,581	1,582	1,746	2,110	2,104	2,304	2,331	2,319	2,483	2,483	2,483	2,483	2,483	3,322	3,322	3,322
Georgia	963	1,031	2,658	2,531	2,539	2,539	2,526	2,703	2,703	2,921	4,032	4,032	4,780	4,880	5,114	5,458	5,674	6,317	6,317	6,317
Florida	727	937	2,517	2,614	2,777	2,945	3,290	3,850	4,041	4,490	4,744	5,471	5,874	5,874	5,874	5,874	5,874	6,268	6,268	6,268
Alabama	269	742	1,894	2,145	2,336	2,471	2,784	2,943	2,937	3,287	3,555	3,781	3,942	4,142	4,271	4,581	4,917	5,206	5,206	5,206
Mississippi	561	164	1,181	1,118	1,184	1,228	1,511	1,034	1,742	1,204	1,217	1,367	1,934	1,947	2,103	2,280	2,318	2,516	2,637	2,806
Louisiana	624	824	1,910	2,264	2,264	2,264	2,708	2,938	3,163	3,343	3,343	3,696	3,952	3,952	3,952	3,952	3,952	4,063	4,063	4,063
Arkansas	582	167	1,282	1,220	1,449	1,356	1,445	1,308	1,620	1,067	1,042	1,787	1,835	1,835	1,835	1,835	1,835	2,101	2,101	2,101
Southwest	4,159	3,935	9,588	10,444	11,489	12,710	13,388	16,362	16,932	17,164	19,403	19,760	21,433	22,102	23,486	24,824	25,427	26,864	27,443	27,443
Oklahoma	1,850	844	1,831	1,961	2,186	2,293	2,280	2,620	2,731	2,811	2,834	3,003	3,187	3,203	3,119	3,016	3,043	4,112	4,272	4,272
Texas	2,800	2,708	6,088	7,581	8,169	8,082	9,459	10,491	11,187	11,400	12,037	12,883	13,750	14,707	15,320	15,143	16,348	17,738	18,977	18,977
New Mexico	1,437	193	424	454	454	454	500	507	520	520	520	520	520	520	520	520	520	520	520	520
Arizona	247	240	809	975	760	823	900	1,121	1,246	1,245	1,245	1,433	5,030	5,030	5,030	5,030	5,			

## SURVEY OF CURRENT BUSINESS

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The data are given in table 7.

Differences in the trends of the two series are not great. It is interesting to note that in 17 of the 26 States in which both taxes and prices altered the trend in the income share, the two effects reinforced each other. This tendency was strongest in the Southeast, where changes in prices and taxes tended to boost the uptrend in the real income share, and in the Far West,

where the two factors tended to dampen the uptrend.

### Population and Per Capita Income

Population change exercises a strong influence on income growth. Indeed, much of the geographic redistribution of income is a result of net interstate migration. Chart 13 illustrates regional income changes from

1929 to 1963 in terms of the three measures of aggregate income and in terms of real disposable income per capita.

Table 7 presents a comparison of trends in per capita personal income and per capita real disposable income from 1929 to 1963. It also shows the substantial improvement in economic welfare that has characterized all sections of the country over the

**Table 4.—Per Capita Disposable Personal Income by States and Regions, 1929, 1940, 1946, 1946-63**  
(Dollars)

State and region	1929	1940	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
United States	883	875	1,116	1,168	1,279	1,287	1,354	1,400	1,509	1,585	1,668	1,651	1,739	1,800	1,821	1,906	1,982	1,988	2,057	2,122
New England	848	729	1,221	1,267	1,340	1,340	1,472	1,604	1,681	1,707	1,724	1,820	1,946	2,013	2,024	2,065	2,139	2,262	2,352	
Maine	608	609	1,029	1,038	1,198	1,094	1,111	1,181	1,206	1,204	1,206	1,448	1,425	1,620	1,671	1,860	1,725	1,818	1,844	1,943
New Hampshire	526	548	1,048	1,050	1,165	1,182	1,218	1,321	1,356	1,377	1,448	1,531	1,571	1,637	1,681	1,764	1,818	1,844	1,928	1,943
Vermont	442	490	974	1,000	1,078	1,041	1,163	1,214	1,287	1,328	1,360	1,421	1,477	1,516	1,596	1,700	1,779	1,795	1,808	1,824
Massachusetts	881	755	1,220	1,251	1,837	1,837	1,902	1,916	1,958	1,957	1,970	1,927	1,952	2,026	2,086	2,123	2,104	2,268	2,365	
Rhode Island	844	710	1,204	1,248	1,344	1,345	1,402	1,507	1,615	1,670	1,725	1,752	1,786	1,887	1,910	1,961	2,007	2,037	2,107	
Connecticut	1,003	883	1,389	1,402	1,968	1,568	1,738	1,826	2,002	2,054	2,076	2,173	2,261	2,445	2,478	2,501	2,454	2,527	2,633	
Midwest	934	757	1,420	1,364	1,458	1,578	1,664	1,708	1,789	1,792	1,876	1,948	2,066	2,094	2,182	2,218	2,261	2,345	2,400	
New York	1,030	828	1,462	1,479	1,575	1,504	1,673	1,718	1,784	1,801	1,869	1,908	2,063	2,188	2,310	2,328	2,362	2,476	2,528	
New Jersey	901	795	1,350	1,388	1,481	1,476	1,625	1,771	1,865	1,903	1,928	1,936	2,036	2,126	2,188	2,231	2,367	2,458	2,528	
Pennsylvania	754	626	1,185	1,192	1,295	1,203	1,426	1,520	1,587	1,600	1,697	1,800	1,877	1,929	1,964	1,980	2,043	2,124	2,184	
Delaware	841	882	1,277	1,303	1,455	1,585	1,700	1,782	1,905	1,901	1,989	2,101	2,480	2,400	2,472	2,497	2,500	2,548	2,603	
Maryland	759	688	1,147	1,189	1,279	1,294	1,494	1,502	1,633	1,697	1,727	1,830	1,829	2,029	2,178	2,218	2,243	2,308	2,377	
District of Columbia	1,248	1,143	1,480	1,525	1,710	1,822	1,904	2,085	2,083	1,978	1,989	2,139	2,307	2,312	2,376	2,382	2,760	2,787		
Great Lakes	780	648	1,205	1,434	1,375	1,505	1,632	1,689	1,736	1,735	1,834	1,932	1,977	1,941	2,039	2,079	2,185	2,185	2,259	
Michigan	785	659	1,181	1,200	1,383	1,368	1,623	1,633	1,671	1,843	1,877	1,914	1,946	1,981	1,984	2,024	2,013	2,113	2,234	
Ohio	700	645	1,174	1,254	1,398	1,338	1,494	1,625	1,701	1,706	1,812	1,915	1,972	1,908	2,011	2,034	2,082	2,119	2,234	
Indiana	660	1,060	1,169	1,316	1,251	1,305	1,629	1,629	1,703	1,801	1,873	1,926	1,972	1,974	1,993	1,993	2,016	2,046	2,100	
Illinois	927	724	1,362	1,427	1,612	1,539	1,849	1,788	1,832	1,896	2,001	2,128	2,186	2,151	2,269	2,285	2,347	2,442	2,506	
Wisconsin	642	533	1,085	1,184	1,204	1,235	1,328	1,504	1,539	1,603	1,681	1,716	1,748	1,803	1,883	1,938	1,958	2,032	2,032	
Pacific	638	463	1,058	1,113	1,291	1,184	1,293	1,376	1,428	1,427	1,489	1,450	1,653	1,657	1,743	1,772	1,833	1,889	1,945	
Minnesota	581	610	1,059	1,112	1,204	1,181	1,204	1,362	1,395	1,449	1,491	1,512	1,633	1,620	1,717	1,741	1,802	1,872	1,914	2,016
Iowa	563	487	1,109	1,202	1,438	1,213	1,323	1,406	1,500	1,501	1,521	1,572	1,610	1,622	1,711	1,752	1,790	1,846	1,846	
Missouri	613	609	1,076	1,203	1,204	1,225	1,330	1,413	1,471	1,506	1,531	1,604	1,683	1,722	1,717	1,796	1,837	1,875	1,975	
North Dakota	303	341	956	1,117	1,203	1,034	1,185	1,204	1,309	1,371	1,421	1,427	1,513	1,535	1,605	1,671	1,702	1,813	1,820	
South Dakota	407	348	1,012	1,126	1,354	1,017	1,138	1,326	1,389	1,430	1,498	1,526	1,593	1,626	1,739	1,779	1,875	1,897	1,978	
Nebraska	490	429	1,041	1,107	1,340	1,262	1,382	1,408	1,456	1,481	1,521	1,531	1,626	1,652	1,766	1,808	1,890	2,040	2,040	
Kansas	573	416	1,053	1,149	1,130	1,261	1,348	1,385	1,441	1,420	1,450	1,521	1,777	1,778	1,882	1,902	1,965	1,961		
Southeast	344	333	783	809	884	877	908	1,023	1,084	1,118	1,204	1,243	1,396	1,377	1,401	1,424	1,472	1,554	1,604	
Virginia	470	453	916	908	1,017	1,018	1,136	1,267	1,318	1,319	1,363	1,406	1,455	1,471	1,504	1,578	1,613	1,750	2,006	
West Virginia	355	367	828	839	1,058	966	1,055	1,125	1,176	1,187	1,145	1,234	1,371	1,481	1,496	1,543	1,613	1,647	1,684	
Kentucky	384	312	747	772	800	808	893	1,020	1,061	1,118	1,128	1,164	1,235	1,280	1,304	1,347	1,382	1,482	1,580	
Tennessee	370	380	729	801	829	854	880	1,023	1,063	1,098	1,163	1,186	1,221	1,265	1,304	1,340	1,471	1,543		
North Carolina	320	317	797	828	876	880	944	1,030	1,049	1,049	1,044	1,069	1,170	1,231	1,218	1,284	1,305	1,386		
South Carolina	205	201	713	724	827	798	875	968	978	978	993	959	1,078	1,103	1,142	1,206	1,348	1,407		
Georgia	344	321	771	804	871	893	943	1,044	1,085	1,123	1,161	1,217	1,222	1,276	1,324	1,386	1,434	1,500		
Florida	503	489	1,018	1,077	1,106	1,185	1,281	1,396	1,369	1,376	1,491	1,570	1,621	1,600	1,745	1,746	1,838	1,905		
Alabama	317	276	956	784	764	786	900	963	964	978	993	1,035	1,187	1,182	1,231	1,304	1,374	1,405		
Mississippi	281	282	570	623	715	633	897	745	800	828	890	833	912	913	992	1,048	1,059	1,151	1,206	
Louisiana	397	362	782	796	911	978	1,002	1,101	1,117	1,184	1,275	1,224	1,305	1,309	1,420	1,427	1,496	1,502	1,583	
Arkansas	208	249	863	870	784	735	898	914	922	1,004	1,039	1,103	1,208	1,208	1,208	1,238	1,408	1,408		
Southwest	454	497	912	963	1,061	1,146	1,176	1,266	1,125	1,354	1,385	1,449	1,527	1,672	1,624	1,678	1,687	1,744	1,778	
Oklahoma	465	363	860	819	1,022	1,046	1,156	1,261	1,318	1,223	1,370	1,423	1,403	1,550	1,572	1,636	1,686	1,700		
Texas	488	421	929	1,018	1,071	1,178	1,221	1,299	1,340	1,360	1,421	1,478	1,545	1,613	1,645	1,708	1,726	1,852		
New Mexico	388	363	820	900	988	1,028	1,071	1,167	1,200	1,206	1,250	1,289	1,301	1,424	1,452	1,545	1,592	1,739		
Arizona	524	461	939	1,035	1,130	1,153	1,180	1,413	1,435	1,443	1,521	1,604	1,707	1,772	1,893	1,911	1,938			
Rocky Mountain	588	615	1,052	1,187	1,204	1,331	1,304	1,474	1,543	1,479	1,453	1,515	1,684	1,671	1,741	1,789	1,823	1,863	2,018	
Montana	583	557	1,169	1,317	1,401	1,270	1,478	1,612	1,591	1,694	1,694	1,674	1,709	1,722	1,818	1,763	1,783	1,801	1,907	
Idaho	492	452	1,067	1,188	1,144	1,172	1,303	1,409	1,441	1,341	1,341	1,389	1,467	1,483	1,543	1,584	1,541	1,587	1,705	
Wyoming	048	582	1,221	1,374	1,401	1,455	1,400	1,500	1,503	1,624	1,627	1,619	1,648	1,774	1,804	1,834	2,038	2,142	2,147	
Colorado	430	527	1,060	1,180	1,248	1,304	1,515	1,616	1,690	1,690	1,698	1,647	1,634	1,764	1,862	1,918	1,977	2,063	2,151	
Utah	547																			

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past 3½ decades. In no State has the improvement in living standards over this span been less than one-quarter (in the District of Columbia, whose 1929 per capita income was above that of any State, the gain was one-fifth), and in only five has it been less than 50 percent. In 18 States, per capita real disposable income more than doubled between 1929 and 1963.

As pointed out in previous SURVEY articles, there has been a tendency for most States with low per capita incomes to grow at a faster rate than States with high per capita incomes. This tendency of narrowing regional income differentials was pervasive during the war period and has persisted in the Southeast and Far West during the postwar period.

## Variability Coefficients

A summary measure of differences in per capita incomes can be obtained by computing the variability coefficient, which is defined as the standard deviation divided by the unweighted mean of the State per capita incomes. Coefficients were computed on a per capita basis for personal income, cur-

Table 5.—Real Disposable Personal Income by States and Regions, 1929, 1940, 1948-63

(Millions of 1964 dollars)

State and region	1929	1940	1948	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
United States	134,773	152,765	284,233	196,244	208,289	210,760	237,730	233,328	230,301	250,288	252,768	250,150	254,811	249,637	254,018	258,686	254,352	254,642	259,570	258,881
New England	11,161	11,793	13,730	13,283	13,056	13,995	15,159	15,467	16,583	16,476	17,713	16,433	18,151	18,067	18,870	20,293	21,898	21,941	21,463	
Maine	756	850	1,115	1,046	1,100	1,100	1,116	1,136	1,190	1,180	1,187	1,320	1,382	1,390	1,424	1,484	1,481	1,509	1,539	
New Hampshire	538	548	609	616	616	616	624	624	624	624	624	624	624	624	624	624	624	624	624	
Vermont	351	358	437	411	429	427	454	473	482	493	496	513	528	535	546	567	567	567	567	
Massachusetts	5,296	6,175	6,564	6,720	6,608	7,066	7,710	7,764	8,189	8,259	8,770	9,029	9,426	9,533	9,601	10,136	10,338	10,377	10,979	
Rhode Island	926	948	1,185	1,128	1,159	1,185	1,200	1,271	1,293	1,373	1,416	1,422	1,205	1,103	1,165	1,165	1,165	1,165	1,165	
Connecticut	2,673	2,905	3,365	3,383	3,467	3,564	3,504	4,085	4,172	4,493	4,684	4,888	5,163	5,341	5,304	5,476	5,627	5,894	6,183	6,339
Midwest	41,314	45,141	52,966	51,154	53,109	54,329	55,947	56,988	58,905	63,191	63,363	67,788	71,343	73,489	73,042	76,529	77,559	78,964	82,804	84,842
New York	23,820	21,467	24,810	24,087	25,088	25,069	27,610	28,619	27,140	28,721	29,463	31,411	32,871	33,725	33,179	34,676	36,822	36,101	38,377	39,160
New Jersey	5,718	6,416	7,918	7,087	7,829	8,182	8,860	9,900	8,697	10,882	10,365	10,888	11,849	11,769	12,474	12,801	12,903	12,906	14,278	
Pennsylvania	11,712	12,051	14,778	14,204	14,890	16,084	16,800	16,306	16,802	17,781	17,246	18,242	18,161	19,842	19,374	20,020	20,193	20,482	20,943	21,589
Delaware	305	400	406	480	487	589	621	623	623	781	728	833	908	907	904	1,008	1,030	1,063	1,119	
Maryland	2,091	2,600	2,362	3,111	2,206	3,369	3,403	3,803	4,086	4,236	4,405	4,715	5,104	5,283	5,416	5,702	6,222	6,578	6,948	
District of Columbia	1,008	1,639	1,697	1,058	1,612	1,396	1,708	1,754	1,710	1,849	1,818	1,700	1,750	1,712	1,715	1,782	1,815	1,847	1,930	
Great Lakes	35,314	36,612	45,787	45,170	45,183	47,855	51,740	52,374	54,267	57,926	57,785	61,478	64,327	65,188	63,375	67,457	66,423	69,724	72,447	74,898
Michigan	4,987	7,152	9,281	9,532	9,830	10,000	11,027	11,130	11,421	12,071	12,309	13,706	14,127	14,024	13,609	14,314	14,530	14,629	15,228	16,145
Ohio	8,328	9,056	11,409	11,424	12,270	12,073	13,223	13,819	14,260	15,180	15,278	16,373	16,829	17,782	18,233	18,178	18,578	19,348		
Indiana	3,404	3,730	5,344	5,085	5,085	5,407	6,190	6,588	6,083	6,714	6,705	7,354	7,705	7,758	8,155	8,370	8,694	9,064		
Illinois	11,618	12,124	14,982	14,426	16,070	16,070	16,280	16,370	16,539	17,340	17,348	18,289	19,424	19,618	19,618	20,722	20,884	22,440	22,944	
Wisconsin	3,111	3,328	4,200	4,533	4,780	4,543	5,145	5,307	5,307	5,475	5,411	5,760	6,082	6,201	6,290	6,488	6,700	6,986	7,291	
Plains	12,205	13,878	18,487	17,719	19,932	20,510	20,316	20,316	20,316	20,689	21,658	21,938	22,391	23,458	24,586	26,048	25,775	26,482	27,748	28,285
Minnesota	2,523	2,009	3,911	3,755	4,086	3,924	4,248	4,338	4,311	4,494	4,570	4,702	4,787	5,108	5,293	5,452	5,626	5,800	5,904	6,297
Iowa	2,254	2,570	3,000	4,048	3,822	3,822	3,783	3,877	3,883	4,044	4,370	4,007	4,370	4,459	4,471	4,470	4,787	5,141	5,437	
Missouri	3,657	3,926	5,383	5,022	5,477	5,475	5,858	6,003	6,031	6,212	6,328	6,247	7,039	7,039	7,441	7,872	8,141	8,471		
North Dakota	416	451	710	888	849	879	764	765	765	886	781	804	781	804	804	804	804	804	804	
South Dakota	474	485	777	792	917	719	823	889	781	845	847	781	820	826	851	863	1,051	1,048	1,102	
Nebraska	1,235	1,074	1,085	1,636	1,871	1,751	1,100	1,013	1,012	1,084	1,033	1,078	2,010	2,010	2,010	2,329	2,481	2,481	2,647	
Kansas	1,635	1,513	2,301	2,493	2,382	2,400	2,711	3,042	2,502	3,006	3,032	3,106	3,223	3,558	3,631	3,750	3,858	3,858	3,858	
Southeast	16,945	20,639	32,192	30,193	31,860	32,189	34,933	36,746	38,133	39,308	39,184	42,793	45,170	46,626	47,383	48,587	50,274	51,253	51,277	58,363
Virginia	1,890	2,006	4,019	3,476	3,034	3,677	4,001	4,400	4,030	4,879	4,718	5,022	5,273	5,503	5,788	5,941	6,311	6,622	6,940	
West Virginia	1,233	1,481	1,810	2,167	2,183	2,238	2,345	2,372	2,340	2,207	2,346	2,346	2,496	2,538	2,472	2,495	2,537	2,617		
Kentucky	1,630	1,788	2,043	2,463	2,723	2,710	2,847	3,170	3,218	3,200	3,200	3,200	3,516	3,503	3,503	3,756	4,042	4,186	4,478	
Tennessee	1,684	1,980	3,187	2,615	3,080	3,089	3,384	3,415	3,450	3,601	3,685	3,003	4,141	4,200	4,265	4,485	4,503	4,774	5,197	
North Carolina	1,670	2,347	3,827	3,012	3,700	3,749	4,203	4,340	4,391	4,488	4,587	5,060	5,306	5,103	5,373	5,845	6,340	6,564	6,936	
South Carolina	746	1,163	1,785	1,671	1,819	1,785	1,154	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316	2,316		
Georgia	1,858	2,181	3,850	3,145	3,248	3,244	3,045	3,870	3,907	4,082	4,173	4,477	4,705	5,093	5,227	5,379	5,718	6,145		
Florida	1,173	1,260	3,104	2,022	3,014	3,000	3,010	3,728	4,046	4,320	4,744	5,205	5,205	5,624	5,624	5,624	5,624	5,624		
Alabama	1,304	1,631	2,030	2,039	2,738	2,889	2,096	3,037	3,037	3,037	3,037	3,037	3,037	3,037	3,037	3,037	3,037	3,037		
Mississippi	906	960	1,531	1,518	1,028	1,401	1,078	1,688	1,700	1,777	1,717	1,932	1,907	1,907	2,113	2,288	2,364	2,672		
Louisiana	1,416	1,683	2,470	2,344	2,387	2,367	3,003	3,057	3,249	3,371	3,302	3,593	3,593	3,593	3,593	3,593	3,593	3,593		
Arkansas	902	900	1,084	1,430	1,387	1,014	1,383	1,654	1,673	1,673	1,642	1,780	1,783	1,783	1,783	1,783	1,783	1,783		
Southwest	6,887	8,068	12,733	12,769	13,216	14,446	14,782	15,641	16,395	17,180	18,383	19,401	20,832	21,738	22,019	23,203	23,934	24,709		
Oklahoma	1,748	1,720	2,446	2,347	2,446	2,644	2,347	2,621	2,603	2,820	2,854	2,858	3,130	3,125	3,265	3,322	3,453	3,576	3,636	
Texas	4,409	5,497	6,940	8,000	9,247	10,290	10,445	10,928	11,405	11,585	12,007	12,572	12,585	14,097	14,168	15,074	15,069	16,384	16,384	
New Mexico	273	323	664	612	656	732	614	678	614	678	614	678	614	678	614	678	614	678		
Arizona	400	450	793	813	876	928	1,005	1,164	1,220	1,295	1,346	1,456	1,606	1,687	1,833	2,120	2,326	2,404	2,595	
Rocky Mountain	2,683	3,173	4,419	4,478	4,585	4,643	5,071	6,329	6,403	6,473	6,609	6,922	6,922	6,922	6,922	6,922	6,922	6,922		
Montana	401	426	770	807	865	796	808	933	939	961	969	1,039	1,039	1,039	1,039	1,039	1,039	1,039		
Idaho	377	402	705	646	721	728	757	822	822	910	910	936	943	943	943	943	943	943		
Wyoming	251	309	460	404	420	450	481	517	481	481	481	535	535	535	535	535	535	535		

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rent dollar disposable income, and real disposable income for the years 1929, 1940, and 1946-63. They are recorded in table 9.

From 1929 to 1963, the variability coefficients for all of the per capita income measures were cut approximately in half. The major share of these declines occurred during the war years. Thereafter, changes were comparatively small until 1957, when the downtrend was apparently resumed,

though at a much slower rate than during the war years. (Chart 14.)

Since, as indicated earlier, taxes reduce inequality, the variability coefficient has always been lower for disposable income than for personal income. The long-term movements in the variability coefficients of per capita current dollar disposable income are similar to those for per capita personal income.

The variability coefficients for per capita personal taxes and nontax pay-

ments are also given in table 9. At any point in time, the tax coefficients are higher than the income coefficients because of the progressive character of the tax rates. Over time, the coefficients for total taxes (Federal, State, and local) behave like those for personal income, since income is the base for most of these taxes. The variation in total personal taxes is dominated by Federal income taxes, which are ap-

Table 6.—Per Capita Real Disposable Personal Income by States and Regions, 1929, 1940 and 1946-63

[1954 dollars]

State and region	1929	1940	1946	1947	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
United States	1,107	1,188	1,469	1,380	1,426	1,488	1,606	1,621	1,540	1,681	1,668	1,644	1,703	1,713	1,687	1,761	1,763	1,762	1,838	1,871
New England	1,379	1,396	1,541	1,488	1,479	1,462	1,622	1,677	1,688	1,726	1,734	1,823	1,886	1,919	1,883	1,916	1,923	1,932	2,038	2,054
Maine	1,041	1,019	1,036	1,225	1,262	1,218	1,225	1,244	1,214	1,301	1,305	1,441	1,451	1,444	1,450	1,497	1,524	1,493	1,626	1,551
New Hampshire	1,148	1,114	1,052	1,269	1,281	1,283	1,337	1,381	1,329	1,303	1,348	1,527	1,530	1,557	1,543	1,610	1,619	1,682	1,713	1,728
Vermont	938	978	1,213	1,161	1,195	1,157	1,216	1,247	1,294	1,304	1,321	1,377	1,406	1,406	1,406	1,496	1,506	1,526	1,578	1,578
Massachusetts	1,294	1,490	1,538	1,404	1,407	1,488	1,644	1,671	1,681	1,717	1,700	1,818	1,891	1,905	1,919	1,960	1,964	2,058	2,058	2,125
Rhode Island	1,031	1,318	1,400	1,432	1,426	1,454	1,578	1,630	1,621	1,687	1,683	1,719	1,887	1,933	1,881	1,704	1,698	1,723	1,783	1,785
Connecticut	1,081	1,701	1,701	1,716	1,721	1,754	1,830	2,030	2,030	2,076	2,108	2,208	2,324	2,349	2,349	2,349	2,349	2,349	2,349	2,349
Mideast	1,482	1,489	1,495	1,587	1,613	1,630	1,745	1,724	1,734	1,816	1,803	1,871	1,964	1,965	1,951	2,018	2,088	2,085	2,085	2,085
New York	1,719	1,695	1,651	1,721	1,720	1,743	1,945	1,703	1,782	1,854	1,866	2,063	2,035	2,052	2,050	2,141	2,242	2,104	2,187	2,212
New Jersey	1,485	1,597	1,736	1,601	1,640	1,674	1,825	1,848	1,895	1,903	1,903	2,081	2,062	2,114	2,096	2,067	2,151	2,179	2,183	2,183
Pennsylvania	1,205	1,270	1,405	1,349	1,446	1,559	1,607	1,580	1,679	1,807	1,827	1,967	1,785	1,782	1,782	1,794	1,843	1,850	1,850	1,850
Delaware	1,657	1,710	1,852	1,603	1,741	1,836	1,829	1,926	2,006	2,089	2,143	2,140	2,286	2,286	2,286	2,300	2,300	2,300	2,300	2,300
Maryland	1,290	1,419	1,510	1,379	1,428	1,442	1,554	1,606	1,634	1,696	1,697	1,688	1,700	1,699	1,699	1,707	1,807	2,026	2,026	2,026
District of Columbia	2,077	2,230	1,940	1,794	2,019	2,029	2,172	2,183	2,123	2,169	2,192	2,126	2,204	2,204	2,204	2,204	2,204	2,204	2,156	2,156
Great Lakes	1,276	1,333	1,411	1,546	1,615	1,572	1,638	1,723	1,737	1,807	1,726	1,834	1,885	1,877	1,886	1,887	1,889	1,900	1,904	2,019
Michigan	1,249	1,345	1,580	1,472	1,582	1,580	1,717	1,717	1,723	1,863	1,747	1,903	1,909	1,893	1,893	1,792	1,846	1,866	1,943	1,950
Ohio	1,249	1,397	1,530	1,483	1,538	1,514	1,643	1,722	1,723	1,759	1,765	1,884	1,883	1,883	1,883	1,769	1,824	1,866	1,895	1,895
Indiana	850	1,094	1,443	1,282	1,382	1,417	1,565	1,608	1,611	1,722	1,702	1,868	1,862	1,862	1,862	1,905	1,978	1,940	1,940	1,940
Illinois	1,511	1,524	1,529	1,730	1,720	1,754	1,857	1,874	1,884	1,907	1,909	1,982	1,978	1,978	1,978	2,011	2,148	2,187	2,187	2,187
Wisconsin	1,040	1,222	1,485	1,385	1,422	1,422	1,428	1,428	1,462	1,464	1,463	1,474	1,474	1,474	1,474	1,474	1,474	1,474	1,474	1,474
Plains	820	954	1,406	1,318	1,449	1,396	1,435	1,435	1,462	1,481	1,489	1,482	1,423	1,423	1,423	1,423	1,423	1,423	1,423	1,423
Minnesota	986	1,042	1,429	1,346	1,428	1,357	1,418	1,435	1,419	1,467	1,461	1,603	1,397	1,568	1,606	1,614	1,645	1,700	1,716	1,783
Iowa	916	1,000	1,450	1,252	1,502	1,565	1,684	1,443	1,475	1,501	1,545	1,418	1,474	1,504	1,504	1,622	1,685	1,736	1,736	1,736
Missouri	1,010	1,040	1,432	1,306	1,425	1,416	1,485	1,485	1,504	1,522	1,531	1,568	1,603	1,638	1,638	1,704	1,767	1,810	1,810	1,810
North Dakota	816	1,105	1,240	1,390	1,381	1,351	1,280	1,280	1,280	1,280	1,280	1,322	1,322	1,322	1,322	1,385	1,407	1,240	1,240	1,240
South Dakota	827	725	1,324	1,220	1,206	1,149	1,262	1,262	1,262	1,262	1,262	1,276	1,276	1,276	1,276	1,308	1,319	1,320	1,320	1,320
Nebraska	868	816	1,342	1,293	1,470	1,346	1,610	1,610	1,610	1,610	1,610	1,632	1,632	1,632	1,632	1,632	1,632	1,632	1,632	1,632
Kansas	876	842	1,320	1,341	1,259	1,378	1,389	1,332	1,348	1,348	1,348	1,480	1,526	1,542	1,542	1,615	1,649	1,656	1,711	1,744
Southwest	647	982	1,431	937	988	936	1,049	1,063	1,066	1,126	1,119	1,201	1,243	1,238	1,234	1,306	1,343	1,385	1,418	1,418
Virginia	867	922	1,198	1,065	1,133	1,123	1,246	1,208	1,333	1,330	1,393	1,402	1,491	1,406	1,410	1,473	1,459	1,514	1,564	1,621
West Virginia	718	777	1,048	1,050	1,141	1,108	1,174	1,174	1,208	1,208	1,208	1,245	1,245	1,245	1,245	1,288	1,288	1,323	1,323	1,323
Kentucky	618	828	846	878	960	931	913	1,043	1,080	1,120	1,120	1,195	1,205	1,205	1,205	1,246	1,246	1,246	1,246	1,246
Tennessee	608	678	1,019	938	980	938	1,015	1,034	1,034	1,110	1,109	1,169	1,176	1,176	1,176	1,217	1,268	1,318	1,332	1,332
North Carolina	633	655	1,027	958	966	961	1,030	1,030	1,031	1,072	1,069	1,176	1,211	1,211	1,211	1,263	1,263	1,263	1,263	1,263
South Carolina	428	511	516	537	511	580	522	515	515	538	538	543	543	543	543	571	571	571	571	571
Georgia	680	702	1,032	966	966	878	1,024	1,024	1,024	1,024	1,024	1,120	1,120	1,120	1,120	1,120	1,120	1,120	1,120	
Florida	812	905	1,206	1,188	1,228	1,222	1,258	1,299	1,370	1,370	1,370	1,420	1,420	1,420	1,420	1,420	1,420	1,420	1,420	
Alabama	846	873	822	882	850	961	940	971	981	978	978	1,041	1,041	1,041	1,041	1,120	1,120	1,120	1,120	1,120
Mississippi	483	541	732	720	720	715	771	771	771	816	816	828	828	828	828	877	877	926	926	926
Louisiana	679	710	972	613	597	1,085	1,113	1,104	1,108	1,123	1,123	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223	1,223
Arkansas	487	600	889	782	875	875	921	921	922	922	922	922	922	922	922	922	922	922	922	922
Rocky Mountain	979	1,053	1,421	1,406	1,339	1,273	1,449	1,621	1,531	1,461	1,463	1,630	1,632	1,639	1,636	1,644	1,644	1,644	1,644	1,644
Montana	220	1,122	1,510	1,523	1,505	1,622	1,820	1,856	1,900	1,914	1,914	1,944	1,972	1,958	1,958	1,958	1,958	1,958	1,958	1,958
Idaho	843	943	1,285	1,337	1,309	1,217	1,200	1,341	1,423	1,350	1,351	1,381	1,424	1,424	1,424	1,424	1,424	1,424	1,424	1,424
Wyoming	1,120	1,235	1,005	1,578	1,601	1,625	1,647	1,785	1,620	1,637	1,637	1,677	1,677	1,677	1,677	1,677	1,677	1,677	1,677	1,677
Colorado	1,054	1,051	1,413	1,407	1,300	1,300	1,329	1,481	1,510	1,447	1,443	1,514	1,578	1,578	1,578	1,578	1,578	1,578	1,578	1,578
Utah	909	949	1,320	1,305	1,202	1,203	1,325	1,377	1,383	1,383	1,383	1,384	1,384	1,384	1,384	1,474	1,474	1,474	1,474	1,474
Per West	1,479	1,564	1,849	1,723	1,723	1,728	1,820	1,823	1,834	1,834	1,835	1,926	2,007	1,969</						

proximately 80 percent of the total on a national basis.

The movement in the coefficients for State and local taxes over time does not resemble that for Federal tax co-

efficients. For example, the coefficient for State and local taxes was higher in 1963 than in 1929, whereas the coefficient for Federal taxes was lower. A probable explanation of this behavior

is that most State and local taxes and nontax payments are not tied directly to personal income. Nontax payments such as fees and licenses amount to about 50 percent of the total, and State

Table 7.—Geographic Distribution of Personal and Real Disposable Income, 1929, 1963 and the Percent Changes in the Distributions, 1929-63

State and region	Total income				Per capita income							
	Percent distribution				Percent change in relative position, 1929-63 <sup>1</sup>		Per capita personal income		Per capita real disposable income			
	Personal income		Real disposable income		Personal income	Real disposable income	1963 as a percent of 1929	Percent change in relative position, 1929-63 <sup>1</sup>	Percent of national per capita, 1963	1963 as a percent of 1929	Percent change in relative position, 1929-63 <sup>1</sup>	Percent of national per capita, 1963
	1929	1963	1929	1963								
United States.....	100.00	100.00	100.00	100.00	.....	.....	348	.....	100	100	.....	100
New England.....	1.32	5.48	5.25	6.39	-22	-23	311	-11	112	104	-11	119
Maine.....	.56	.42	.55	.44	-29	-23	336	-4	99	105	-2	83
New Hampshire.....	.38	.32	.40	.32	-16	-21	325	-6	92	100	-11	92
Vermont.....	.26	.18	.26	.18	-31	-31	326	-6	93	100	-6	84
Massachusetts.....	4.31	8.24	4.38	8.28	-26	-25	306	-12	116	103	-10	114
Rhode Island.....	.66	.47	.69	.45	-33	-34	271	-20	98	102	-22	96
Connecticut.....	1.92	1.85	1.89	1.88	-3	-4	304	-13	128	134	-18	128
Midwest.....	12.86	24.75	31.92	24.16	-23	-33	298	-17	115	142	-16	113
New York.....	16.47	11.82	18.52	11.15	-29	-29	268	-26	123	129	-26	115
New Jersey.....	4.33	4.11	4.24	4.00	-6	-4	305	-11	118	102	-10	116
Pennsylvania.....	8.79	8.10	8.00	8.06	-31	-30	316	-8	106	103	-8	100
Delaware.....	.28	.25	.27	.32	22	15	322	-5	124	101	-11	125
Maryland.....	1.47	2.80	1.55	1.96	-30	-28	352	-1	112	101	-5	111
District of Columbia.....	.72	.48	.75	.87	-20	-24	266	-25	133	120	-29	120
Great Lakes.....	23.61	21.14	24.64	21.33	-11	-11	304	-7	104	102	-7	107
Michigan.....	4.14	4.46	4.44	4.60	-1	3	324	-7	105	101	-5	107
Ohio.....	6.04	5.18	6.19	6.61	-9	-11	322	-7	103	104	-6	103
Indiana.....	2.50	2.84	2.36	2.58	10	10	303	-6	100	104	-15	101
Illinois.....	6.50	6.84	6.56	6.58	-23	-23	302	-13	118	147	-15	119
Wisconsin.....	2.39	2.89	2.31	2.08	-10	-10	347	0	97	109	0	96
Pacific.....	6.87	7.95	9.05	8.85	-26	-11	402	17	96	104	16	96
Minnesota.....	1.80	1.79	1.84	1.77	-1	-6	306	-6	98	101	7	95
Iowa.....	1.66	1.36	1.67	1.42	-16	-15	303	-15	98	107	17	97
Missouri.....	2.66	2.37	2.71	2.40	-11	-11	306	12	103	100	19	102
North Dakota.....	.30	.28	.24	.29	-4	-5	320	24	82	256	53	85
South Dakota.....	.34	.30	.35	.32	-10	-15	371	35	88	228	35	84
Nebraska.....	.96	.76	.72	.75	-22	-18	306	13	94	201	18	83
Kansas.....	1.16	1.09	1.21	1.10	-6	-9	323	23	92	100	13	93
Southeast.....	11.67	18.19	18.82	16.76	49	42	402	43	74	84	45	77
Virginia.....	1.23	1.94	1.25	1.93	-35	-38	478	37	96	223	28	97
West Virginia.....	.83	.73	.91	.76	-31	-19	400	15	26	201	19	77
Kentucky.....	1.19	1.21	1.19	1.24	-1	4	454	30	72	229	23	74
Tennessee.....	1.15	1.13	1.18	1.05	25	25	405	34	22	228	35	74
North Carolina.....	1.32	1.87	1.24	1.04	33	37	386	36	28	268	53	68
South Carolina.....	.65	.88	.65	.60	37	33	385	34	24	286	75	68
Georgia.....	1.18	1.85	1.23	1.73	48	45	626	30	75	256	52	78
Florida.....	.88	2.00	.87	2.70	190	210	414	18	88	211	25	92
Alabama.....	1.00	1.21	1.01	1.25	21	24	506	45	87	253	58	70
Mississippi.....	.87	.99	.87	.73	4	9	488	57	57	248	47	60
Louisiana.....	1.01	1.82	1.06	1.35	51	51	428	23	73	209	24	76
Arkansas.....	.46	.65	.47	.47	-1	1	615	48	64	254	61	67
Southwest.....	4.87	4.87	5.11	7.84	39	56	438	28	85	312	26	87
Oklahoma.....	1.26	1.96	1.29	1.07	-16	-17	438	35	91	209	24	92
Texas.....	2.31	4.03	3.32	4.58	45	46	437	35	88	212	28	98
New Mexico.....	.26	.43	.20	.43	113	114	457	29	81	238	41	93
Arizona.....	.30	.73	.30	.74	145	145	373	7	90	184	9	92
Rocky Mountain.....	1.88	2.32	1.97	2.36	23	19	384	11	94	182	8	95
Montana.....	.36	.34	.37	.34	-7	-6	372	7	91	183	9	86
Idaho.....	.30	.30	.26	.30	12	7	265	14	81	189	8	82
Wyoming.....	.18	.18	.19	.18	1	0	243	14	101	171	1	103
Colorado.....	.75	1.06	.79	1.00	40	34	303	14	103	184	19	103
Utah.....	.33	.45	.34	.45	37	33	264	10	85	181	7	88
Far West.....	4.42	14.36	8.91	13.98	48	56	337	-9	118	146	-14	115
Washington.....	1.35	1.83	1.44	1.04	21	14	341	-2	106	164	-8	104
Oregon.....	.75	.86	.81	.69	32	22	301	4	101	163	-3	106
Nevada.....	.09	.27	.09	.22	104	107	215	14	101	123	-2	131
California.....	4.42	11.39	8.87	11.00	77	67	300	-14	122	137	-19	118

1. Obtained by computing the percent increase or decrease from 1929 to 1963 in the percentage of total income in the United States received by each State and region. To avoid appreciable rounding errors for the smallest States, the computations were based on percentages carried to three decimal places rather than on figures shown in this table. For per capita

income, the measure represents the percent increase or decrease in the percentage that each State's and region's per capita income is of the national per capita income.

Source: Office of Business Economics, U.S. Department of Commerce.

## SURVEY OF CURRENT BUSINESS

April 1965

income taxes account for only about one-third of the total.

Apparently, State per capita incomes become more equal in a recession year than in the year preceding the recession. A likely explanation for this behavior

is that high-income States are usually heavily industrialized and subject to more pronounced cyclical fluctuations. Because declines in employment during a recession reduce per capita income in States especially dependent on manu-

facturing more than in less industrialized States, regional income differentials tend to narrow. Conversely, in years of rapid economic expansion, such as 1950 and 1956, income variation apparently increases.

Table 8.—Average Annual Rates of Growth of Current and Constant (1954) Dollar Disposable Personal Income, Total and Per Capita, by States and Regions, 1929-40, 1940-48, 1948-63, 1929-63<sup>1</sup>

(Percent)

	Current dollar (total)				Constant dollar (total)				Current dollar per capita				Constant dollar per capita			
	1929-40	1940-48	1948-63	1929-63	1929-40	1940-48	1948-63	1929-63	1929-40	1940-48	1948-63	1929-63	1929-40	1940-48	1948-63	1929-63
United States.....	-0.8	11.9	5.3	4.7	1.1	4.8	3.5	2.9	-1.4	10.5	3.4	3.4	3.4	2.6	1.8	1.5
New England.....	-1.9	2.2	5.8	4.9	-5	1.9	4.4	2.1	-1.4	8.0	3.8	3.0	-3	1.7	2.2	1.2
Maine.....	-1.7	11.9	3.8	3.0	1.3	2.2	2.2	2.1	-1.3	10.6	3.9	3.1	-7	2.8	1.4	1.6
New Hampshire.....	-1.2	10.4	5.0	4.1	-2	2.4	3.5	2.5	-1.7	9.6	3.8	3.2	-3	1.6	2.0	1.2
Vermont.....	-1.0	10.2	4.3	3.6	0	2.4	2.7	1.5	-2.1	10.4	3.5	3.2	-1	2.5	1.9	1.1
Massachusetts.....	-1.2	9.5	4.9	3.7	-4	1.3	2.4	1.9	-1.4	7.4	4.0	3.9	-1	2.6	1.3	1.2
Rhode Island.....	-1.0	9.4	3.8	3.6	-12	2.2	2.3	1.6	-1.5	8.2	2.6	2.7	-13	1.1	1.5	1.0
Connecticut.....	-1.6	9.7	3.7	4.6	-7	2.2	4.1	2.8	-1.2	7.4	2.7	2.9	-1	1.2	2.1	1.0
Mideast.....	-1.9	9.7	4.5	3.9	-7	2.1	2.2	2.1	-1.9	8.5	3.4	2.8	0	1.0	1.8	1.6
New York.....	-2.2	9.4	4.6	3.8	-2	2.8	3.0	1.8	-2.8	8.4	3.2	2.8	-7	1.0	1.6	0
New Jersey.....	-1.7	8.9	5.7	3.8	1.1	2.5	4.1	2.7	-1.1	9.1	3.5	3.0	-18	1.8	1.2	1.2
Pennsylvania.....	-1.5	10.0	4.1	2.6	-7	2.1	2.4	1.8	-1.7	9.8	3.3	3.1	-6	1.6	1.7	1.3
Delaware.....	-1.4	8.8	7.2	5.8	2.1	1.0	5.6	3.4	-6	6.8	4.2	3.1	-9	2.6	1.2	1.2
Maryland.....	-2.1	11.0	6.9	5.6	-20	5.2	5.2	4.6	-9	6.1	3.4	3.1	-12	2.6	1.4	1.0
District of Columbia.....	2.0	7.8	3.0	2.9	3.0	-6	1.4	2.0	-5	5.2	3.3	2.4	-18	1.8	1.6	0
Great Lakes.....	-1.2	11.9	4.6	4.4	-9	3.9	3.8	2.8	-1.7	10.4	3.1	3.1	-6	2.4	1.6	1.4
Michigan.....	-1.4	11.9	5.0	4.8	1.6	4.1	3.4	3.0	-1.1	9.7	3.3	3.2	-7	2.0	1.6	1.4
Ohio.....	-1.1	11.8	3.7	4.4	-8	3.9	3.1	2.6	-1.8	10.1	3.8	3.2	-3	2.2	1.8	1.3
Indiana.....	-1.6	12.5	4.7	5.0	1.8	4.3	3.1	3.2	-1.6	11.8	3.8	3.0	-10	3.7	1.7	2.0
Illinois.....	-1.8	11.4	4.3	4.0	-5	3.2	2.6	2.1	-2.1	10.2	3.0	2.0	-1	2.2	1.3	1.1
Wisconsin.....	-1.4	12.1	4.0	4.3	1.1	3.0	2.9	2.0	-1.9	11.4	3.2	3.0	-6	3.2	1.5	1.5
Plains.....	-1.4	11.6	4.1	4.4	-4	5.4	2.6	2.5	-1.6	15.6	3.1	3.0	-3	5.4	1.6	2.0
Minnesota.....	-1.5	12.4	4.6	4.7	1.2	4.4	2.6	2.7	-1.3	12.0	3.2	2.7	-5	4.0	1.5	1.8
Iowa.....	-1.8	14.4	3.0	4.2	1.0	5.0	3.4	2.4	-1.3	14.4	3.2	2.9	-8	6.0	2.0	2.0
Missouri.....	-1.3	12.3	4.5	4.4	-7	4.2	2.8	2.5	-1.7	12.1	3.7	2.8	-4	4.0	2.0	1.8
North Dakota.....	-1.2	14.2	3.2	4.7	-8	3.1	3.1	2.7	-7	17.7	2.8	2.8	-12	8.8	0	2.4
South Dakota.....	-2.2	17.6	2.8	4.5	-12	8.0	1.3	2.5	-1.4	18.6	1.8	2.2	-15	9.5	-2	2.1
Nebraska.....	-3.2	14.7	3.1	4.8	-1.9	7.2	2.3	2.2	-2.8	15.2	2.8	2.8	-18	7.7	1.5	2.1
Kansas.....	-2.6	14.3	4.3	4.5	-8	5.9	3.0	2.6	-2.1	13.5	3.7	4.0	-5	5.2	2.2	2.2
Southwest.....	-2	14.6	6.6	5.8	2.4	6.4	4.2	3.9	-1.7	13.1	4.0	4.6	14	4.7	2.5	2.7
Virginia.....	1.6	12.9	5.9	6.1	2.7	4.7	4.4	4.2	-8	10.6	3.8	4.2	24	2.6	2.4	2.6
West Virginia.....	-1.8	13.0	2.6	4.0	1.7	4.8	1.2	2.2	-1.2	13.0	2.8	3.8	-7	4.0	1.6	2.1
Kentucky.....	-1.0	13.8	4.5	4.6	1.0	6.4	3.2	3.6	-1.9	14.0	3.8	4.2	-1	5.6	2.6	2.4
Tennessee.....	1.1	14.1	5.0	6.4	2.1	6.8	3.6	3.6	-1.0	12.9	3.8	4.3	10	4.4	2.6	2.6
North Carolina.....	1.8	14.5	5.6	6.1	3.1	4.9	4.2	4.2	-7	13.6	4.1	4.8	10	4.8	2.7	2.6
South Carolina.....	2.0	14.2	4.2	5.2	4.1	5.7	3.8	3.2	-1.1	13.6	3.6	4.0	8	4.1	2.2	2.3
Georgia.....	2.3	18.5	6.0	6.8	2.6	6.0	4.2	3.9	-7	12.9	4.3	4.7	10	4.6	2.6	2.6
Florida.....	2.3	14.6	9.8	6.2	4.5	6.1	7.8	6.6	-1.2	14.2	4.1	4.6	10	4.6	2.6	2.6
Alabama.....	-1.6	16.8	6.0	6.9	1.0	6.1	5.6	5.6	-1.2	14.2	4.1	4.6	-1	5.6	2.7	2.6
Mississippi.....	-1.7	15.7	4.5	4.9	0	6.9	3.1	3.1	-2.5	15.2	3.9	4.8	-13	7.8	2.4	2.7
Louisiana.....	-1.1	13.0	5.7	6.0	1.8	6.5	4.3	4.3	-1.3	12.6	3.7	4.1	-4	4.8	2.4	2.4
Arkansas.....	-1.4	14.6	4.2	4.8	-8	6.2	2.7	2.0	-1.6	16.6	3.8	4.7	-4	7.1	2.4	2.0
Rocky Mountain.....	-1.4	14.6	5.9	5.7	1.4	5.4	4.2	3.8	-1.2	12.7	3.7	4.1	-7	4.8	2.1	2.2
Oklahoma.....	-2.1	12.3	4.7	4.2	-1	4.4	2.0	2.3	-1.6	12.8	3.7	4.1	-1	6.8	1.9	2.3
Texas.....	0	14.8	5.7	6.9	1.8	6.6	4.1	4.8	-1.0	12.4	3.6	4.6	-8	4.8	2.1	2.8
New Mexico.....	1.3	15.1	7.3	7.1	2.3	6.6	5.2	5.2	-1.3	13.2	3.6	4.6	14	4.0	2.4	2.0
Arizona.....	-1.2	16.9	9.2	7.8	1.7	7.8	7.6	5.6	-1.6	11.3	3.7	3.8	13	3.5	2.0	1.8
Rocky Mountain.....	-1.1	12.0	5.8	6.4	1.0	4.7	4.1	3.4	-1.1	11.8	3.2	3.7	-7	3.6	1.8	1.8
Montana.....	-2	12.4	3.8	4.5	2.0	4.1	2.8	2.7	-4	12.8	2.8	3.5	15	4.5	0	1.8
Idaho.....	-1.7	13.5	4.1	5.1	2.4	4.9	2.8	2.8	-7	12.7	2.8	3.8	10	4.2	1.1	1.8
Wyoming.....	0	12.4	4.5	4.8	1.9	5.9	2.0	2.8	-1.0	11.4	2.8	3.5	0	6.0	1.4	1.6
Colorado.....	-1.4	12.9	4.7	5.6	1.3	4.6	5.1	5.8	-1.5	11.4	3.8	3.8	2	5.2	2.2	1.8
Utah.....	-1.6	13.8	6.3	5.7	1.2	5.8	4.5	3.2	-1.2	11.4	3.6	3.7	4	5.0	1.8	1.8
Far West.....	-1	13.7	6.8	6.9	2.3	5.6	4.8	4.2	-1.4	5.0	3.4	3.1	-6	1.3	1.6	1.1
Washington.....	-1	14.1	4.8	5.3	1.6	6.0	3.0	3.2	-1.1	10.5	2.9	3.3	0	2.6	1.2	1.3
Oregon.....	-1	16.0	4.5	6.6	2.0	6.6	2.8	2.6	-0.8	11.4	2.8	3.6	-8	3.2	1.0	1.4
Nevada.....	1.9	12.0	10.7	8.1	4.1	5.8	8.0	6.1	-2.2	7.8	4.2	3.8	2.6	-3	2.4	1.6
California.....	-1	12.5	7.4	6.8	2.0	6.6	5.2	4.4	-1.6	8.4	3.4	2.6	-7	1.5	1.6	0

1. Average annual growth rates, calculated from data for the beginning and ending years, are derived by the use of the following formula:  $P_t = P_0(1+r)^t$ , where  $P_t$  is the end-of-period income;  $P_0$  is the beginning period income;  $r$  = rate of growth; and  $t$  is the number of years from the beginning to the ending period.

Source: Office of Business Economics, U.S. Department of Commerce.

**Table 9.—Variability Coefficients<sup>1</sup> for Per Capita Income and Taxes, 1929, 1940, 1946–63**  
[Percent]

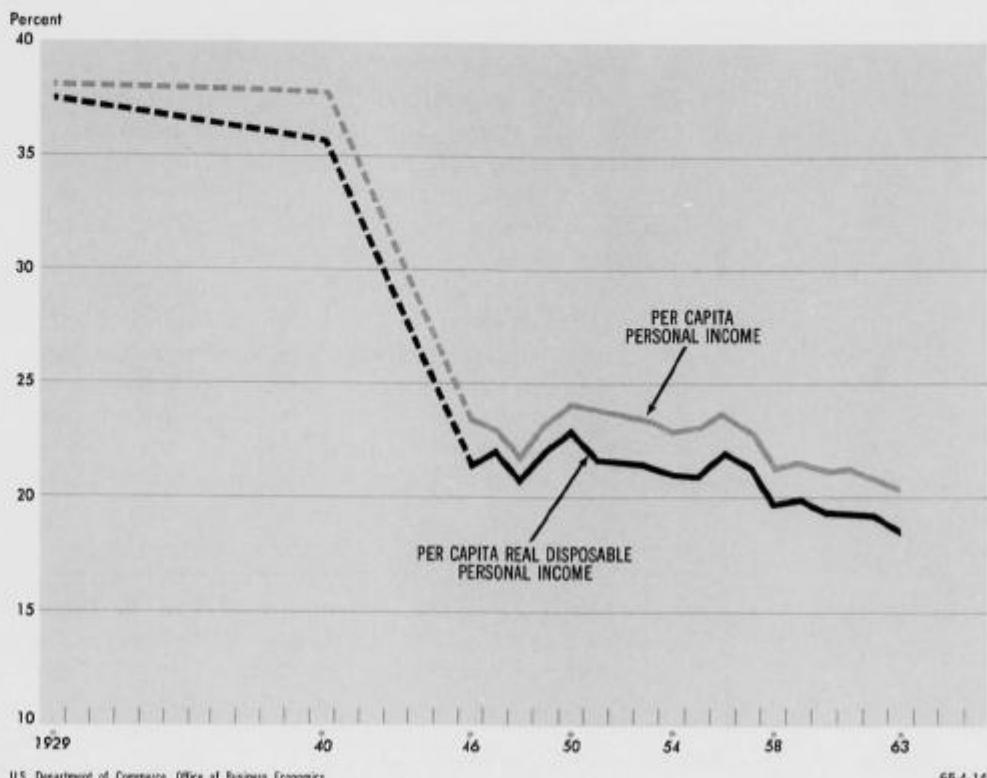
Year	Per capita income			Per capita personal taxes and nontax payments		
	Real dis- pos- able in- come	Dis- pos- able in- come	Per- sonal in- come	Total, Fed- eral and State and local	Fed- eral	State and local
1929	37.4	37.5	38.1	74.9	129.9	47.4
1940	35.7	36.9	37.8	102.9	177.3	34.8
1946	21.4	21.4	23.4	45.4	48.4	37.5
1947	21.9	21.2	23.0	41.0	43.2	39.8
1948	20.6	20.3	21.8	41.2	43.6	42.1
1949	22.0	21.9	23.3	43.0	46.0	43.1
1950	22.8	22.5	24.1	46.5	49.7	44.5
1951	21.7	21.7	23.8	46.6	49.1	44.7
1952	21.5	21.3	23.7	43.4	45.6	47.1
1953	21.4	21.3	23.5	43.0	45.2	45.9
1954	20.9	20.9	23.0	43.3	46.7	42.0
1955	20.8	20.9	23.1	44.7	47.4	46.9
1956	21.8	22.0	23.7	38.0	41.7	41.4
1957	21.3	21.3	22.9	36.3	40.2	41.9
1958	19.7	19.8	21.3	34.3	37.4	41.3
1959	19.8	20.0	21.6	34.1	37.1	40.2
1960	19.4	19.6	21.2	33.5	36.3	40.0
1961	19.2	19.6	21.2	33.7	36.7	40.1
1962	19.0	19.2	20.8	33.6	36.2	41.6
1963	18.4	18.9	20.4	32.4	34.9	41.0

1. Standard deviation divided by the unweighted mean of the State per capita incomes (or taxes).

Source: Office of Business Economics, U.S. Department of Commerce.

### Variability Coefficients of Per Capita Personal Income and Per Capita Real Disposable Income

*State Differences Show a Persistent Long-Term Decline*



### Personal Income by States

(Continued from page 15)

31 percent, from 1960 to 1964. Advances were fairly evenly distributed among the regions and had a buoyant effect on incomes everywhere. Changes in military payrolls were the main factor causing some regional variation in government income payments. Major increases in military payrolls occurred in the States of the Rocky Mountain and Southeast regions. The increases in the Rocky Mountain States were due primarily to the manning of recently completed missile sites and the building of additional facilities by the Air Force. In the Southeast, the largest gains were in States where training sites are located.

For the most part, gains in State and local government disbursements were uniform. Only in the Far West was the rate of growth (47 percent)

significantly above the national increase (38 percent). A \$1.6 billion increase in State payrolls accounted for one-eighth of California's expansion in total income.

#### Other industrial developments

The trade, finance, and service industries advanced 18, 22, and 27 percent, respectively, from 1960 to 1964. Geographic variances from these figures were slight except in the Far West, Southeast, and Plains regions. In the Far West and Southeast, gains in the service industries were above average as consumer markets expanded in response to increased earnings from Government and manufacturing. In the Plains States, changes in agricultural income had a dampening effect on all three industries.

There were also significant changes in construction earnings in a number of States. In Nevada, Arkansas, Vir-

ginia, and North Dakota, construction earnings were up more than 40 percent over the past 4 years. These increases, along with smaller ones in adjoining States, were due mainly to increased activity in Government contracts for aerospace programs and highway projects in the central part of the Nation. In several States, decreases in construction earnings were large enough to affect the growth of total personal income. These declines were generally related to the completion of missile sites in the Plains and Rocky Mountain States and of highway projects in several eastern States.

The tables on page 15 present preliminary estimates of personal income for 1964, together with revised per capita figures for 1960–63. The regular series, based on more complete data, will be published in the August 1965 issue of the SURVEY OF CURRENT BUSINESS.